

Note: City Council discussion about this report begins on page 2.

REPORT FROM THE CITY COUNCIL TO THE PEOPLE OF FALLS CHURCH

In the spirit of being accountable to the people of Falls Church, this report briefly summarizes the City Council's major activities over the period July 1, 2006 through June 30, 2007.

ACTIVITY AREAS

Strategic Planning

Developed and adopted a Council Vision Statement
Adopted a Strategic Plan to operationalize the Vision Statement

The Annual Budget

Adopted a balanced budget that:

- fully funded the City's Schools;
- responded to the City Manager's request for city services and government operations; and
- kept the residential real estate tax rate at the prior year's level

Government Operations

Appointed a new City Manager
Oversaw efforts to:

- resolve problems in water billing;
- redress the loss of Police Department accreditation; and
- respond to Police Department management and employee morale issues

Increased compensation for the Mayor and Council Members

Legal Issues

Authorized response to Fairfax County Water Authority's decision to no longer observe existing service area agreement
Authorized response to discrimination suit brought by African-American Police Officers
Monitored court disposition of zoning disputes

Economic Development

Approved the Read Building (workforce housing)
Approved the Hekemian Project (first major LEEDS building)
Commenced consideration of the City Center redevelopment project
Approved the Pearson Square affordable housing units shift from condominiums to rental

Zoning Reform

Approved change in height limitations
Commissioned comprehensive code revision to address multiple questions regarding residential redevelopment

Community Services/Environment

Approved acquisition of open space that increased City holdings
Provided additional funding to complete dual use synthetic turf field at GMHS

Legislation

Supported successful effort to obtain funding for Northern Virginia transportation needs
Supported successful effort to reinstitute photo-red cameras

CITY COUNCIL ANNUAL ACTIVITIES REPORT
COUNCIL DISCUSSION FROM THE AUGUST 13, 2007 FALLS CHURCH CITY COUNCIL MEETING

Committed to the key principles of good governance – accountability, transparency, and responsiveness – City Council presented a brief report to the people of Falls Church to recap Council accomplishments during fiscal year 2007 (July 1, 2006 - June 30, 2007).

The FY07 Council Annual Activities Report is intended to provide an objective representation of activities during that time frame, and therefore does not include narrative. It is not intended to serve as a self-congratulatory document for the Council, but instead should enable citizens to reflect on Council activities in FY07.

This was not an item Council voted on, but was intended solely as an act of accountability and public disclosure for the Council and public to discuss. Comments about this document should be sent to the City Clerk at cityclerk@fallschurchva.gov.

Council Comments Excerpted From the August 13, 2007 City Council Meeting Minutes:

Mr. Lippman noted that additional details were available in the “2007 Annual Report and Services Guide,” available from the Office of Communications and on the City Web site. He thanked his colleagues for their support and he believed that this was an important thing to do in a balanced, neutral, non self-congratulatory manner. He also welcomed comments and discussion from this document.

Mayor Gardner agreed with Mr. Lippman that this was an important thing to do. She pointed out that this was not something that would be voted on; the list was what it was, Council could comment on it.

Mr. Snyder commended Mr. Lippman for doing this. He said the Council had done a significant amount of work that was very, very positive. He knew this was meant to be an objective report. Particularly in the areas of legislation, community services, and zoning reform, the annual budget, and strategic planning, some impressive work had been done. There was also some impressive work done in going forward to address some of the government operations issues. Mr. Snyder incorporated by reference his prior comments regarding his significant issues concerning economic development, certain projects, and significant issues with the lack of information on certain government operations related issues. Mr. Snyder said he hoped that, as this moved forward, whatever comments made by the Council – pro or con – could be with it, to help people understand it.

Mr. Snyder said the Council had also asked for several documents on economic development projects. He said they were very useful to the citizens to explain and raise some of the issues. Mr. Snyder said he wanted to deal, especially, with the Falls Church mixed-use development projects document where various things are laid out. In his view, the revenue per acre needed some context. He said the Economic Development Office had advised the Council that it was reasonable to aim for about \$350,000 per year in net per acre of revenue yield. He was pleased

that the Broadway had made that. He was pleased to have voted for that and he believes that led to some legislative action by the Council in order to get more of that. When looking at some of the other projects, he believed they fell short. He was concerned with the revenue yields of some of the projects, particularly the Hekemian project. The collateral effects on surrounding neighborhoods continued to be issues of concern as well. With the community benefits, he believed the City has gotten some good things. Some of the things indicated as benefits would not have been necessary if there was not as much residential in the projects, such as the school capital fund. Mr. Snyder said some of the projects were coming in at 15-20 percent commercial versus residential and he continued to be concerned about that. Fundamentally, he believed that what is needed is a way to attract people whose residences are outside to spend their money in the City. He expressed concern about the City becoming a bedroom community for Tysons Corner.

He realized that there had been some good work done and he hoped that the City could continue to get better results in that regard. Mr. Snyder agreed the document was a good exercise and he had a lot of respect for people who worked on all of these things and he agreed it was a good idea to do it. Mr. Snyder said his comments were intended to be constructive. Certainly he could comment on legal issues and government operations issues, but they had been said before and he saw no reason to repeat them that evening.

Mr. Maller thanked Mr. Lippman for bringing this forward. Although he had had some misgivings, there had been a positive discussion of that at work session. One of his main criticisms of the Council had been that there had not been enough disagreement. He said this had been an opportunity to air that in a constructive way. He agreed that this was very positive and important thing to do. This was something that the Council should look to as a framework for discussion because sometimes the Council gets mired in the individual details of things without looking at the overall picture. He agreed with Mr. Snyder's comments that the strategic planning exercises were very helpful.

He commended the City Manager and Assistant City Manager for taking the Council Vision Statement and putting it into a strategic plan. He said it was also helpful to see that work product coming back to the Council in a much more structured way. He disagreed with Mr. Lippman's comments regarding the budget as being too self-congratulatory because the Council's obligation, under state law, was to pass a balanced budget. The matter of government operations was another area with very significant issues that did not require any more discussion that evening, but many of the issues were ongoing efforts not yet resolved. With regard to legal issues, some of the aspects had been managed in a less acceptable manner. He said the Council had fallen far short of its ideals with respect to City administrative and quasi-judicial processes, which will be the subject of further study by the Council and committees. He said this was, again, an ongoing process and it was the Council's responsibility to help fix them. By criticizing them, Mr. Maller said he meant only to be taking responsibility for that. He said it was important for the Council to discuss these and look at them.

He noted that the City's economic development had contributed (or would contribute) 10 cents on the tax dollar to the benefit of the taxpaying citizens, which was a very significant accomplishment. If the tax rate was \$1.01, it would have been \$1.11 if these projects had not

been constructed. However, that was about one-half of what needs to be done. Mr. Maller said people were concerned about what would happen to taxes – not necessarily the tax rate, but the cost to the taxpayer of living in the City. Unless the Council brings in more development in a significantly efficient way, that will be a problem. He hoped the Council would not have to explain in the future why it had not been able to bring in another one-half billion dollars of development and to make that really count in peoples' wallets. Zoning reform was another area of work in process. This was another area where significant effort would be required. Mr. Maller believed that with regard to community services and environment, the City had fallen far short of where things should be, but a lot of areas had been opened up to further exploration. He said that there were a number of ongoing projects dealing with storm water; significant progress had been made in open space; and building in LEED certification as part of the zoning code was something that would require a lot of study and effort. He thanked Mr. Lippman for initiating this process and he hoped to do this more often. Mr. Maller suggested that this effort be more than an annual process and that Council find a way to put this on the agenda in a way to solicit public comment. He said one of the real exercises in government and transparency was to bring in the public input.

Mr. Sze thanked Mr. Lippman for doing an excellent job of putting together the report, hitting on all the critical areas. To him it seemed holistic to have strategic planning that was operationalized. He disagreed with Mr. Maller that having more disagreements on the Council was a good thing; rather, they all have different approaches to solve a problem. At the end of the day, it was a good thing that they were able to connect, harness their energies and move the City forward, which he believed was reflected by the report. Mr. Sze said the Council had a lot of major issues and resolutions were found on many of them. Things the Council had talked about and dreamed about – with respect to a long-term strategic plan – were now actually underway. The Council was of a common mind on how the zoning rewrite should go and economic development was proceeding as expected. It was not going too quickly and not too slowly. The Council was making a slow, deliberate process in thinking about every step along the way and engaging the citizens.

Ms. Hockenberry said this was her seventh year on Council. Taking this opportunity to look at the work of Council was a very good thing to do. It was important to let the public know what they have been doing and she believed this has been a very open and transparent government. Ms. Hockenberry was very pleased with the idea of strategic planning as a good way of doing things to make sure the vision statement is working. She believes that Council's overall responsibility was to make the City sustainable and to keep it an independent City as far into the future as possible. She said that future budgets would not be easy. There were no increases because of the new revenue from economic development. Ms. Hockenberry was very pleased with how the Council had moved forward in hiring the new city manager. There was not even a hiccup along the way of continuance. She said the Council had such a good staff and she was very proud of that. Ms. Hockenberry commented that there had been some problems with the Police Department that were being worked on and that had a lot to do with the crossover of the different chiefs of police and how things were being handled.

She said the City had some very good legal advice along the way, and she was particularly proud of some areas – particularly with respect to economic development and affordable housing and

open space. She commented that over the past year, the City had obtained 22 new ADU rental units (15 at Pearson Square and 7 at Hekemian) plus 9 workforce units that would soon be available in the Read Building. Ms. Hockenberry said that all of the estimated revenues were for year 2007; the Broadway did meet that goal and the others were estimated with respect to net revenue per acre, which would all increase upon completion of the projects. That would bring in quite a bit of revenue to the City. Ms. Hockenberry said the City had a huge success with respect to open space with the addition of 3.5 acres to City parks. Ms. Hockenberry said the whole Council was very thoughtful and very reflective and working together, they could do really good things and she was looking forward to the next year.

Mayor Gardner said that in the Council's efforts for transparency in government, she hoped that this report could be placed on the Web site. She also asked for the mixed-use development chart to be posted on the Web site as well. Prior to Mr. Lippman putting together the report, the Council had talked about a method for Council to measure its accomplishments. In order to measure accomplishments, they needed to compare those against set expectations, which she hoped could be determined at the upcoming Council retreat. Mayor Gardner thanked Mr. Lippman for bringing this together and for everyone's comments.